

Hawaii State Association of Counties

Counties of Kauai, Maui and Hawaii, City & County of Honolulu



MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
May 6, 2013
Honolulu Hale, Council Committee Room
Honolulu, Hawaii

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:09 a.m. The following members comprising a quorum were present:

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| County of Kauai: | President Mel Rapozo |
| County of Hawaii: | Vice President Dennis "Fresh" Onishi |
| City and County of Honolulu: | Secretary Stanley Chang |
| County of Maui: | Treasurer Michael Victorino |
| Others Present: | Kauai County Clerk Ricky Watanabe |
| | Honolulu staff Kimberly Ribellia |
| | Honolulu staff Steve Uyeno |
| | Honolulu staff Denisse Gee |
| | Kauai staff Ashley Bunda |
| | Maui staff Kirsten Hamman |

II. APPROVAL OF AGENDA

The Committee approved the agenda.



III. MINUTES

The Committee approved the minutes of the April 26, 2013, Executive Committee meeting.

IV. REPORTS

A. Treasurer's Report

This item was deferred to the June meeting. Treasurer Victorino explained that the May financial statements have not yet been received from Bank of Hawaii.

B. County Reports

1. Maui County Report. Treasurer Victorino reported that the County budget will be final read on June 7, 2013. He informed the Committee that the budget approved by the Council reduced the Mayor's proposed increase in fees and rates of \$22 million to \$4.5 million without cutting key County services and CIP projects.
2. Hawaii County Report. Vice President Onishi reported that the Council is deliberating over a property tax hike as the means by which to fund FY 2014 agency budget requests. He updated the Committee on the following state legislature appropriations that received Committee support: 1) The Hawaii Health Systems Corporation's Primary Care Training Program based in Hilo received \$1.8 million for FY 2014; 2) The Pacific International Space Center for Exploration Systems (PISCES) received \$800K for FY 2014 and \$400K for FY 2015; 3) and the University of Hawaii Hilo College of Pharmacy received no funding to build the proposed "The Daniel K. Inouye College of Pharmacy" complex.
3. City and County of Honolulu Report. Secretary Chang reported that the Council recently completed their usual CD2 budget retreat and a key issue discussed was the impact that collective bargaining will have upon the FY 2014 budget. He further reported that the Department of Community Services and the Mayor's Office of Housing requested to extend the deadline to submit the "Mayor's Homeless Action Plan" from May 1 to May 9.
4. Kauai County Report. President Rapozo reported that the Mayor's supplemental budget will arrive on May 8 to the Council. He informed the Committee that either increased taxes or fees or both must be approved for FY 2014 or County obligations will not be met. He stated that the Mayor refers to increased taxes and fees

as "revenue enhancements." He concluded by stating that Council staff are working assiduously on preparations for the HSAC annual conference.

- C. NACo Report. Treasurer Victorino reported that as a member of NACo's Rural Action Caucus, he met with all four of Hawaii's congressional delegation and two California congressmen to discuss the critical issues that affect rural counties, such as repeal of the tax exemption for municipal bonds and the passing along of federal budget sequestration in the following social services programs: 1) Community Block Development Grant Program (CDBG); 2) Temporary Assistance for Needy Families Program (TANF); and 3) Section 8 Vouchers. He reminded the Committee that the entire state of Hawaii, including the City and County of Honolulu, are categorized as "rural" for federal budgeting purposes.
- D. WIR Report. Vice President Onishi reported that Hawaii County Council Chair J Yoshimoto approved his request for Council monies to attend the WIR conference being held May 22 – 24, 2013, in Flagstaff, Arizona. President Rapozo informed the Committee that it was not necessary for HSAC to send a letter to Hawaii County Council Chair Yoshimoto as discussed at April's Committee meeting. Secretary Chang and Treasurer Victorino stated that they will both be attending the WIR conference.

V. UNFINISHED BUSINESS

- A. Discussion relating to the policy for the use of funds estimated in the "NACo Prescription Drug Marketing Fee" line item in FY 2014 HSAC Operating Budget.

Treasurer Victorino proposed that this item be deferred and discussed by the General Membership at the June annual conference.

President Rapozo suggested that the Committee draft a priority list to be discussed and approved by the General Membership at the June annual conference. He proposed that the monies be used to establish an HSAC scholarship for students intending to attend pharmacy school as the monies originate from the NACo Prescription Drug Marketing Fee.

Secretary Chang proposed that the monies be used to fund HSAC lobbying efforts at the state Legislature.

Treasurer Victorino proposed that the monies be used for multiple uses, such as, 30% for a scholarship, 30% for lobbying efforts, and 40% to reduce each County's HSAC membership dues.

President Rapozo stated that the amount that each County would realize in reduced HSAC membership dues would not be significant since HSAC currently only receives \$12K from the NACo Prescription Drug Marketing Fee Program. He further stated that if the General Membership approves the use of a contract lobbyist to represent HSAC at the state Legislature, the costs would probably cost at least \$12K, if not substantially more.

Vice President Onishi stated that he would support using the monies to fund an HSAC scholarship fund, provided that each county was able to award a scholarship, for a total of four individual scholarships representative of each county.

President Rapozo informed the Committee that this item would be posted on both the Committee and General Membership meeting agendas at the June annual conference.

This item was received and filed.

VI. NEW BUSINESS

- A. Communication from Honolulu City Clerk Bernice K. M. Mau, regarding the adoption of Resolution 13-63 relating to the FY 2014 HSAC Operating Budget by the Honolulu City Council on April 17, 2013.

This item was received and filed.

- B. Discussion and Approval of a proposal by Treasurer Victorino and Maui County Chair Gladys Baisa relating to lobbying efforts for the 2014 legislative session.

Treasurer Victorino summarized the proposal, as follows:

1. Meet with the Council of Mayors at the 2013 HSAC annual conference to discuss: a) Increasing the counties' visibility at the state Legislature; b) Ensuring the counties' position on key legislative priorities is united and clearly presented; and c) Maximizing partnerships with other organizations, such as labor, business, and community organizations to support the counties' lobbying efforts;
2. Establish a lobbying strategy to include: a) Identifying the counties' legislative goals and priorities for the 2014 legislative session by September 1; b) Developing a job description for a legislative liaison; and c) Recruiting and contracting with a qualified person to fill the legislative liaison position;

3. Determine the amount of funding necessary to support HSAC's lobbying efforts and identify the appropriate funding sources;
4. Develop and implement a lobbying plan with the legislative liaison;
5. Discuss ways to increase participation by HSAC members, including all Councilmembers and the four County Mayors at the monthly HSAC Committee meetings; and
6. Evaluate the effectiveness of HSAC's lobbying efforts at the end of the 2014 legislative session.

President Rapozo reminded Committee members that according to HSAC bylaws, all four county Mayors are designated as "ex-officio, nonvoting members" of HSAC. He stated that the HSAC annual conference in June will be a key opportunity for HSAC to communicate and interact with the four Mayors to build stronger relationships between the counties' executive and legislative branches.

Vice President Onishi stated that HSAC Committee members should request to speak at the Council of Mayors meetings. He further stated that there should be more collaboration between HSAC and the Council of Mayors.

This item was approved.

C. Discussion and Approval of FY 2014 proposed HSAC Officer Slate, and NACO and WIR Board of Directors.

i. HSAC Slate of Officers

- a. President: Mel Rapozo, County of Kauai
Ross Kagawa, Alternate
- b. Vice President: Dennis "Fresh" Onishi, County of Hawaii
Greggor Ilagan, Alternate
- c. Secretary: Stanley Chang, City and County of Honolulu
Ikaika Anderson, Alternate
- d. Treasurer: Michael Victorino, County of Maui
G. Riki Hokama, Alternate

ii. NACo Board of Directors

- a. Michael Victorino, County of Maui
- b. Gary Hooser, County of Kauai

- iii. WIR Board of Directors
 - a. Dennis "Fresh" Onishi, County of Hawaii
 - b. Mel Rapozo, County of Kauai

This item was approved.

Treasurer Victorino further stated that the Committee should consider a bylaw amendment limiting the number of consecutive years an individual County can hold a specific Committee officer position. President Rapozo reminded the Committee that in FY 2012, then Vice President Angel K. Pilago proposed but later withdrew a similar bylaw amendment.

Treasurer Victorino reminded the Committee that the City and County of Honolulu is usually appointed by the sitting NACo President to one of ten "at-large" Board of Director positions. He informed the Committee that in his individual conversations with NACo 1st Vice President Linda Langston, it was emphasized that the Hawaii appointees must be consistent in attending the pertinent NACo Board, steering, standing, or caucus meetings. He further stated that he would be receptive to changing the HSAC bylaws to allocate at least one guaranteed NACo or WIR Board of Director position to the City and County of Honolulu, since the NACo "at-large" Board of Director position is discretionary to the will of the sitting NACo President.

Treasurer Victorino and Vice President Onishi suggested that the Committee further discuss the allocation and designation of NACo and WIR Board of Directorships between the four counties during FY 2013 with the goal to amend the pertinent bylaws in FY 2014.

- D. Discussion relating to the policy for the use of credit cards by the HSAC Executive Committee.

Treasurer Victorino explained the differences between a debit and credit card. He outlined the issues that the Committee must resolve before deciding which type of card should be used by HSAC. He informed the Committee that the Maui Corporation Counsel cautioned against the use of a debit card as the structure of HSAC necessitated the use of a debit card by multiple parties who may not communicate with one another prior to a funds withdrawal which may result in temporary overdrafts. He concluded by recommending that the Committee draft a proposed HSAC credit card policy for the General Membership to discuss and approve at the June annual conference.

President Rapozo stated that in his work with non-profits he would prefer the use of a debit card as HSAC's policy and procedures could be structured similarly to a PCard. He stated that Committee members

should only use the PCard for expenses that are currently reimbursed by HSAC, specifically, air fare and ground transportation. He suggested that each PCard limit should be \$2K.

Secretary Chang distributed copies of the Honolulu City Council's PCard policies and procedures.

In response to a query, Treasurer Victorino confirmed that since the Committee has decided upon the use of a debit card, it must be issued through HSAC's current bank, Bank of Hawaii.

This item was received and filed.

VII. ANNOUNCEMENTS

A. Schedule next meeting.

The next Executive Committee meeting was scheduled to be held during the annual HSAC conference on June 20 – 21 in Kauai County.

B. Other Announcements.

President Rapozo solicited the Committee's opinion regarding having Governor Abercrombie speak at the annual HSAC conference. He informed the Committee that the Governor's office communicated to him that Governor Abercrombie will not be able to attend the annual conference as a conferee, but may be able to give a short speech.

Secretary Chang reminded Committee members that NACo 1st Vice President Langston has sent out an email reminding all NACo member counties that the deadline to submit applications for NACo leadership appointments (e.g., at-large appointments to the Board of Directors, steering committee leadership positions, etc.) is June 5, 2013.

VIII. ADJOURNMENT

The meeting was adjourned at 11:21 a.m.

Very truly yours,



STANLEY CHANG
Secretary
Hawaii State Association of Counties